

CITY OF RALEIGH, NORTH CAROLINA CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT (CAPER)



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*Strategic Planning Division
City of Raleigh Community Development Department*

CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT (CAPER) FY 2009-10

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EXECUTIVE SUMMARY

Background:

The Consolidated Annual Performance and Evaluation Report (CAPER) assesses the period from July 1, 2009 through June 30, 2010. It provides an evaluation of performance by the City regarding the housing and neighborhood revitalization goals stated in its Consolidated Plan. By doing so, the City has an opportunity to appraise its overall progress and assess its strategies for carrying out its housing programs and activities. The availability of the document for comment was advertised in the News and Observer newspaper and the website. Copies of the draft were made available at the Community Development (CD) Department office at 310 W. Martin Street in Raleigh and on the City website. The appendix of this document contains maps showing areas of interest as described herein.

Structure of Report:

This report is prepared in a manner that is consistent with HUD guidelines for consolidated reporting. Several necessary elements are required and include: descriptive narratives, summaries of reports and activities, programmatic accomplishments for each of the City's entitlement grants for CDBG and HOME, as well as a self-evaluation of progress in implementing the City's Consolidated Plan.

These activities support the Department's mission to assist low- and moderate-income renters, first-time homebuyers, homeowners needing rehabilitation and special needs populations. Neighborhood revitalization is directed toward the elimination of slums and blight and the development of new housing sites in older neighborhoods. This is accomplished through the acquisition and demolition of dilapidated buildings including substandard houses and commercial businesses that are not compatible with residential communities. Neighborhood revitalization activities also include upgrading public facilities, eliminating environmental hazards and selling vacant parcels through an RFP process to developers who must follow the implementation strategies in adopted redevelopment plans.

The Department welcomes your comments. For more information on any of these programs or information contained within this report, please feel free to contact the Community Development Department at (919) 996-4330.



Wakefield Manor
96 Affordable
Apartments for Seniors

PART I – GENERAL NARRATIVE

Assessment of 3-5 Year Goals

This was the fifth and last year of the 2005-10 Five Year Consolidated Plan. The One Year Action Plans have specific goals for most activities. The goals for FY 2009-10 are detailed in the discussions of the projects and activities. All of the projects benefit very low-, low- and moderate-income persons. The City achieved the majority of its goals.

The City of Raleigh's housing and community development programs are designed to serve the housing needs of four major groups of its residents and to support the Consolidated Plan goals:

- ◆ Very low-income renter households
- ◆ First-time low- and moderate-income homebuyers
- ◆ Households needing significant rehabilitation assistance
- ◆ Special populations such as homeless persons, disabled persons, and the frail elderly

To benefit these households, the City has focused its efforts on providing attractive and affordable housing and revitalizing older neighborhoods. Each of these programs is guided by four basic principles that guide the expenditures of program funds. These four principles are:

- ◆ The provision of affordable, decent safe, and sanitary housing for all City residents
- ◆ The need for an on-going partnership with the private and nonprofit sector and continued inter-governmental cooperation with county and state agencies
- ◆ That affordable housing must be made available throughout the City of Raleigh
- ◆ The continued emphasis on neighborhood revitalization where the goal is to encourage neighborhood stability and preservation of the existing housing stock

ACTIVITIES BY BENEFICIARY

Targets and Projects	Households Assisted
<i>Very low- and low-income renter households</i>	
◆ Joint Venture Rental Program	112
◆ Acquisition of Units	35
◆ Affordable Housing Rental Program	8
◆ Relocation to standard housing	14
◆ Job Training (Construction Trades)	25
◆ Pullen Memorial Baptist Church - Community Enhancement Grant	30
◆ Helen Wright Center – Community Enhancement Grant	200
◆ Communities in Schools – Community Enhancement Grant	200
◆ Wake Tech Community College – Community Enhancement Grant	100
◆ Garner Road Family YMCA – Community Enhancement Grant	75
◆ Triangle Family Service – Community Enhancement Grant	1,544
◆ Community Services – Youth Employment Program (CDBG-R)	30
<i>Sub-Total</i>	2,373
<i>First-time low- and moderate-income homebuyers</i>	
◆ Homeownership Counseling Program	477
◆ City-Wide Second Mortgage Program	69
◆ OWNER Second Mortgage Program	12
◆ New housing units completed	9
<i>Sub-Total</i>	567

<i>Owner Households needing rehabilitation assistance</i>	
◆ Elderly/Disabled Rehabilitation Program	9
◆ Limited Repair	38
◆ Homeowner Rehabilitation	4
◆ CDBG Repaying Rehabilitation Loans	6
<i>Sub-Total</i>	57
<i>Special population groups such as homeless and disabled persons</i>	
◆ George's Mews Apartments	26
◆ Job's Journey	20 beds
◆ Salisbury Street Apartments	10
◆ Triangle Family Services/Women's Center of Wake County HPRP	246
◆ Wilmington Street Shelter	1,764
<i>Sub-Total</i>	2,066
<i>TOTAL</i>	5,063

To implement its program, Raleigh utilizes funding from a variety of federal and local resources. During this CAPER reporting period, the City spent and encumbered a total of \$4,671,868.81 of federal funds, which includes CDBG, CDBG-R, HOME, HPRP, and ESG. The majority of expenditures are used to fund programs that address priority needs, as stated in the Consolidated Plan.

Performance Measurement

The City incorporated Performance Measurement standards in accordance to HUD requirements. Performance measurement is a process to gather information to determine how effectively programs are meeting needs; the information is then used to improve performance and direct resources more accurately. Performance measurement can help to better target limited resources and lead to more informed decisions about programs. The performance measurement system the City will implement in this five year period will be through the Consolidated Annual Performance and Evaluation Report (CAPER). Each year, the City sets goals for each program (outputs). Each program will have performance measurement objectives in place to measure end benefit and determine effectiveness.

The HUD Outcome Measurement System includes Objectives, Outcome Measures and Indicators. In this system, there are three objectives, three outcomes, and one indicator.

OBJECTIVES

Suitable Living Environment

In general, this objective relates to activities that are designed to benefit communities or groups of families by addressing issues in their living environment.

Decent Affordable Housing

The activities that typically would be found under this objective are designed to cover the wide range of housing that is possible under HOME and CDBG. It focuses on housing programs where the purpose of the program is to meet individual family or community needs and not programs where housing is an element of a larger effort (that would be captured above under Suitable Living Environment).

Creating Economic Opportunities

This objective applies to the types of activities related to economic development, commercial revitalization, job training or job creation.

OUTCOMES

Availability/ Accessibility

This outcome category applies to activities which make services, infrastructure, housing, or shelter available or accessible to low-income people. In this category, accessibility does not refer only to physical barriers, but also to making the affordable basics of daily living available and accessible to low- and moderate-income people where they live.

Affordability

This outcome category applies to activities which provide affordability in a variety of ways in the lives of low- and moderate-income people. It can include the creation or maintenance of affordable housing, basic infrastructure hook-ups, or services such as transportation or day care.

Sustainability: Promoting Livable or Viable Communities

This outcome applies to projects where the activity or activities are aimed at improving a neighborhood by helping to make it livable or viable for principally low- and moderate-income people through multiple activities, or by providing services that sustain communities or sections of communities.

Each activity funded through the City's Housing and Community Development programs will have performance measurement indicators. The indicators may change as programs shift or other more relevant indicators are found. Performance measurement will evolve as the City of Raleigh continues to improve its programs.

OUTPUT INDICATORS

For each activity, the amount of money leveraged, the number of persons affected, the number of households assisted, the number of jobs created or retained, and the number of units constructed or rehabilitated, as well as any other applicable indicators, will be reported.

Affirmatively Furthering Fair Housing

All City housing assistance is provided within the context of expanding housing opportunities throughout the community. The City's Scattered-Site Policy, which was adopted in 1978, updated in 2003 and adjusted in 2005, is used as a guide to geographically disperse City and federal housing resources. The Scattered-Site Policy places a higher priority on rental housing developments that are located outside traditional minority and low-income communities. The Policy requires housing developers who use federal funds, City bond dollars or tax credits to construct their developments in areas not already experiencing a high concentration of low-income housing. Maintaining this policy has enabled the City to locate most new developments throughout the City in First or Second Priority Areas. The City also supports housing projects seeking tax credits, which are in First or Second Priority areas as well. The Community Development Department committed to several new construction developments which are located outside minority concentrated areas.

The Analysis of Impediments has not been fully implemented due to budget concerns. When the funds are available, full implementation will commence.

Disparity in mortgage lending

Analysis of 2005 HMDA data reveals a disparity in the loan origination patterns and denial rates of minorities and non-minorities in the Raleigh area. Despite similar income levels, minorities have a higher rate of denial than non-minorities. There may be additional factors; however, the primary factor appears to be minority status. Additional testing and analysis of available data may be necessary in order to verify the existence of discrimination. However, the information strongly suggests that there are disparities in mortgage lending and real estate transactions in the local area.

Lack of fair housing enforcement by a local agency or department

Currently, the City of Raleigh does not have a fair housing department or agency to receive complaints, conduct testing, and promote education and outreach. (The City utilizes one staff person to coordinate fair

housing efforts). The City of Raleigh utilizes the State Human Relations Commission to investigate fair housing complaints. Without a local presence and efforts of a local fair housing agency it is more difficult to raise awareness of the law and rights granted under the law. Many who are aware of their rights may not be aware of how or where to file a complaint. This lack of a central location for filing complaints and obtaining information about fair housing may constitute a barrier to fair housing. Lack of effective and consistent enforcement is a barrier to fair housing in the City of Raleigh.

Difficulty in obtaining housing for persons who have disabilities and for non-English speakers are also impediments. The City addresses these needs through several programs and by translating information.

The Community Services Department has two fulltime Hispanic liaisons who assist with translation issues for Community Development. Community Services has assisted with some housing issues, especially landlord/tenant issues. The Fair Housing Hearing Board (FHHB) met monthly. In regard to public education the board has sponsored and co-sponsored several events.

The FHHB has continued a public education initiative with the local apartment complexes, especially the ones with a large number of Hispanic/Latino residents. The Hispanic/Latino population is still the group most likely to be discriminated against or treated unfairly in regard to housing. Their concerns are usually about repairs and questionable leasing terms.

The Neighborhood College Program continues to have a fair housing portion as part of their on-going curriculum.

The City also supports fair housing activities through its homeownership-lending program. The Citywide Second Mortgage Program provides low-income citizens two opportunities: 1) to purchase a house more costly than they might be able to purchase without a second mortgage; and 2) low interest rates to make payments as affordable as possible. As the name implies, the Citywide Second Mortgage Program is for a new or existing house (up to \$170,000 or the North Carolina Housing Finance Agency's limits in value) in the city limits. The City continues to provide housing to reduce its major fair housing impediment, which continues to be the extremely high cost of housing in this area.

Affordable Housing

The City of Raleigh identified four household groups as *Priority One* targets for assistance in the 2005-10 Consolidated Plan. The four target groups are:

- Very low-income renter households
- First time low- and moderate-income homebuyers
- Households needing significant rehabilitation assistance
- Special populations such as homeless persons, disabled persons, and the frail elderly

This section focuses on the efforts made to service the four *Priority One* groups.

ASSISTANCE TO VERY LOW- AND LOW-INCOME RENTERS

0-50 % Median Income (\$38,450 – family of four) – First Priority Housing Need

A. PURCHASE/REHAB OF AFFORDABLE RENTAL UNITS PROGRAM

This program assists its target group by using funds to obtain additional existing multifamily rental units for low-income families. In 2009-10, the median income for the Raleigh area was \$76,900. Families served through this program earned less than 50% (\$38,450 for a family of four) of the area's median income. The City continues to focus this program on purchasing and renovating, if needed, property in lower income neighborhoods. This program accomplishes a two-fold objective, addressing affordable housing and neighborhood revitalization goals simultaneously. The City rehabilitated eight units in the past year.

As of June 2009 the rent average was \$507.96. The occupied units consisted of 85% African American, 8% white, 5% Hispanic and 2% Multi-racial/Other. Currently, the City owns approximately 186 affordable rental housing units. 57.4% earned below 40% AMI; 27% earned below 50% AMI; 14.2% earned below 80% AMI.

B. JOINT VENTURE PROGRAM

This program allows the City to leverage Bond and HOME funds with private funding to create new affordable housing. The Joint Venture Rental Program provides funds to nonprofit and private developers to construct or rehabilitate existing units, using low-interest loans. Participating developers must be willing to rent to individuals and families whose incomes are at or below 60% (\$46,150 for a family of four) of the Wake County median income. Many projects target lower income households. Developers reap the benefit of receiving much lower interest rates on loans than they would get at lending institutions and banks. Other joint ventures involved the creation of new single-family units for ownership.

The City has committed \$4,225,000 toward financing Joint Venture projects over several fiscal years. These projects, many of which are contingent on receiving tax credits and environmental reviews, will add 321 units of affordable housing to low- and moderate-income households earning less than 60% of the median income or \$46,150. During the 2009-10 fiscal year, 168 units of affordable housing were completed and leased. The majority of the occupants in these units earned less than \$38,450 or 50% of the Raleigh median income for 2009-10.

PROJECT NAME	PROGRAM	CITY FUNDS	# of Units	Household Type
COMMITTED				
Autumn Spring	Bond	\$ 850,000	48	Low-Income Family
Brookridge	HOME	\$ 900,000	40	SRO
Meadowcreek Commons	HOME	\$ 480,000	48	Low-Income Family
Raleigh Garden	Bond	\$ 600,000	125	Low-Income Family (Rehab)
Water Garden Village	HOME	\$ 1,395,000	60	Low-Income Family
TOTAL		\$4,225,000	321	
COMPLETED				
319 Heck Street	Bond	\$ 181,100	12	Low-Income Family (Rehab)
Carlton Avenue	Bond	\$ 146,702	4	Very Low-Income Individuals (Rehab)
George's Mews	Bond	\$ 926,164	26	Low-Income/People with Disabilities (Rehab)
Job's Journey	Bond	\$ 277,377	20 beds	Chronically Homeless
Salisbury Street Apts.	HOME	\$ 300,000	10	Chronically Homeless
Wakefield Manor	HOME	\$ 1,400,000	96	Elderly/People with Disabilities
TOTAL		\$3,231,343	168	

Performance Measurement of Joint Venture Activities

Objective:	Suitable Living Environment	
Outcomes:	Affordability	
Output Indicators:	Number of units rehabilitated	42
	Number of units constructed	126

The City, in conjunction with Wake County, offers funds to non-profit organizations on a first-come, first-served basis instead of issuing a Request for Proposals.

Worst Case Needs: Worst case housing needs continue to be a problem for all groups. Programs aimed at the elderly, such as Limited Repair, the Pilot Rehab and Deferred Payment Loan Programs, address some of these problems. In addition, families with children continue to receive the City's Assistance through the

Affordable Housing Programs, as well as job training programs. The City is committed to helping the very poorest citizens through the Continuum of Care funding, which addresses homelessness. The Pilot Rehab program, which began in December 2005, assists the low-income homeowners by offering forgivable loans. The Joint Venture projects assist many renters earning less than 40% of area median income.

Self-Evaluation: The City continues to support the programs in place. Community Development continues to search for units in need of rehabilitation for assistance through our City-owned program. This meets the goal of neighborhood stabilization since good management can eliminate high turnover and disinvestment in the surrounding community. High land cost continues to be a major issue in the Raleigh/Wake County region, thus making the acquisition of land extremely difficult. The City will continue to examine strategies to expedite the number of units that can be provided.



Salisbury Apartments
10 Units for Chronically
Homeless Men with
Disabilities

ASSISTANCE TO FIRST -TIME HOME BUYERS

C. CITY-WIDE AND DOWNTOWN SECOND MORTGAGES

Under the City-Wide First-Time Homebuyer Program, the City funds second mortgages for first time homebuyers using City Housing Bond dollars. During this fiscal year, 69 mortgages were made to low- and moderate-income families. Financing for first mortgages are provided by private sector banks. The average price of homes purchased under this program was \$131,094. The average second mortgage loan was \$19,107. These homes are located throughout the City. Approximately \$7,744,659 of first mortgage money was leveraged by the City's funds during this period.

The OWNER (Ownership within Neighborhoods to Encourage Revitalization) Program has different income and location restrictions. During this fiscal year, twelve OWNER mortgages were funded; two were Habitat homes in the Cooke Street development. The average price of the homes was \$134,611, and the second mortgages averaged \$28,750. Approximately \$1,149,922 of first mortgage money was leveraged by the City's funds through this program.

Borrowers may find housing for new or existing homes for up to \$170,000. Eligible household income under this was for households earning up to 80% of median income, as dictated by HUD guidelines, except for the OWNER program.

Households and Persons Assisted - Documentation of Assistance Provided

54 of the homebuyers were African American, 21 were Caucasian, one was Hispanic, two were Asian, one American Indian, one Arabic, and one Egyptian.

Self-Evaluation: The City continues to strive toward its goal of providing a competitive program to qualified applicants. A major obstacle has been increasing house prices in this market, thus prompting a need to increase our program limits. Linking the limit to the NCHFA limits allows the program to stay

flexible and follow market trends. Another issue is the poor credit history for many applicants. Changing the housing limits is one way the City tries to be responsive to the changing issues. The City continues to reevaluate the program to better serve the target population. The Homeownership Counseling Program is one strategy that enables first-time applicants to understand the home buying process and how to improve their chances for loan approval and long-term success. The City is also directing those facing foreclosure to assistance.

ASSISTANCE TO LOW-INCOME/ELDERLY HOMEOWNERS

D. REHABILITATION

1. Limited Repair Program

This program provides rehabilitation assistance to low-income (at or below 50% of the median income) homeowners in need of repairs of code violations or safety hazards. The adjustment allows any income-eligible homeowner to participate. 38 units were completed for citizens in FY 2009-10. The maximum loan amount under the program is \$5,000. Bond funds are used for this program. This has also changed to become a discounting loan instead of deferred. Each year, the loan is discounted by one-fifth and forgiven after five years.

Examples of assistance include repairs to roof, bathroom, furnace, and plumbing. Wake County Resources for Seniors works with the homeowners to ensure the work is completed and the City provides the funds.

2. Homeowner Rehabilitation

The City continued a Pilot Rehabilitation Program for low-income homeowners, regardless of age. They must be located in the low-income census tract areas and meet income restrictions. The loans discount and will be forgiven if the homeowners stay in the home and meet the requirements. These loans are available up to \$45,000. The Pilot Program was deemed a success and is now a permanent program. The name will be changed at some point.

19 households received rehabilitation assistance in this year, not including the 38 Limited Repair projects. Seven were CDBG, three were bond, and nine were funded with HOME.

Deferred Payment Loans (DPL) are available for elderly/disabled low-income homeowners who live outside the low-income census tracts. Available for up to \$35,000, these loans are nonrepaying until the homeowner moves out of the home or the property is passed on to heirs. Other programs such as the Limited Repair Program, may be used in conjunction with the DPL program. Applicants must have incomes at or below 50% of the median income (\$38,450), which qualifies them as low-income.

Self-Evaluation: The City continues to examine its programs in an attempt to improve efficiency and effectiveness. The City will continue to monitor the program very carefully to determine outreach efforts, production schedules and number of units that are completed.

3. Households and Persons Assisted - Documentation of Assistance Provided

In the Limited Repair Program, 35 of the 38 homeowners were African American. In the Elderly/Disabled Rehabilitation, CDBG and Pilot Programs, three homeowners were white, and sixteen were African American.

ASSISTANCE TO SPECIAL POPULATIONS

CONTINUUM OF CARE NARRATIVE DISCUSSION

The City of Raleigh is a participating organization in the Wake County Continuum of Care Collaborative. The City continues to work toward the goals established by the Wake County Consortia's Continuum of

Care Strategy. The SuperNOFA awards require matching funds to provide housing for the very low-income and special populations.

The 2005 Consolidated Plan identified special populations such as homeless persons, as a Priority One Housing Need. To serve this population, strategies have been put in place that are directed at preventing homelessness. This includes rehabilitation of substandard houses, improving economic opportunities, supporting transitional housing projects such as Poole Road and providing permanent housing options including homeownership loans, first-time homeownership counseling, and creation of affordable rental units.

The Wake Continuum of Care (CoC), also known as the Partnership to End Homelessness, is a planning and action group made up of nonprofit housing service providers and government agency representatives. Its primary focus is to deliver housing and support services to homeless persons. The group meets bi-monthly in an effort to combat and eliminate homelessness and create a seamless, integrated system of housing and support services that minimizes gaps in service for all who are homeless.

The CoC was formed in 1995 to develop, analyze and strengthen Wake County's homeless continuum of care system. The group's goals are twofold: to provide a balance of emergency, transitional and permanent housing, and to develop services so homeless persons and families can make the critical transition from the streets to housing, jobs and self-sufficiency. The group identifies gaps, sets priorities and prepares the annual HUD SuperNOFA Continuum of Care grant application to HUD for funds to address homeless populations. In fall 2006, the Wake County Continuum of Care became a 501(c) 3 nonprofit organization. This allows it to raise funds to support HMIS and to be its own fiduciary agent for management of the funds. In January 2010, the Continuum of Care conducted a Point in Time count of the homeless and under-housed population in Wake County. The results are as follows:

2010 Point in Time Survey of Homeless Persons in Wake County

Total Homeless people during Point-in-Time Survey	1,126
Homeless people staying in temporary shelter	1,005
Homeless people without shelter (i.e. on the streets)	121
Homeless people in families (including children)	281
Homeless children	170
Homeless individuals (not in families)	843
Homeless people with a history of domestic violence	33
Chronically homeless people	183
Homeless with a substance abuse problem	168
Homeless Veterans	107
Homeless with mental illness	43

Source: Wake Continuum of Care

During FY 2009, Wake County's Continuum of Care had five working committees. Descriptions of the committees and their work follow:

1. Services and Supports Committee – This committee's work has been focused on exploring the development of a 24/7 Stabilization, Assessment, and Referral Center, where services to persons experiencing homelessness and others in need could be coordinated within our community. The committee is evaluating services that are needed and could potentially be located in the facility to provide adequate stabilization, assessment, and referrals. This committee has spent time laying the groundwork by working with agencies to develop a common assessment tool. They are working with local governments and service agencies to gain support for moving forward.
2. Quality Management/Program Evaluation/NOFA Team – The team is charged with keeping member

agencies informed of best practices, enhancing the continuum's effort to provide coordinated services, and monitoring the success of these efforts. This team designs and maintains standard outcomes and submission procedures for programs applying for funding through the WCoC. This team addresses all issues regarding program evaluation and quality control of projects. The team also provides accurate data to support the WCoC. This team organizes and implements periodic Point In Time Counts, working with volunteers, police officers, and others. The team leads the development and implementation of the Community's HMIS. The team has contracted and continues to work with a vendor to fully implement this system.

3. Partnership to End Homelessness Oversight Team – The overarching effort to guide our community's effort to end homelessness is our Raleigh/Wake Partnership to End and Prevent Homelessness. These efforts are guided by the work carried out in our bi-monthly membership meetings and weekly oversight team meetings. These groups are responsible for the implementation of the strategies of our Ten-Year Plan to End and Prevent Homelessness. Together these groups guide the collaborative efforts of our partners, setting the work agenda, monitoring community-wide progress, promoting our vision, and helping to raise funds for implementation. These activities are ongoing throughout the year as our WCoC responds to changes and progressions toward closing service and resource gaps.
4. Employment and Education Committee – This committee has focused on designing and implementing a number of programs to improve employment opportunities for persons experiencing homelessness. These efforts include our Job Referral Program, in which an employment liaison develops relationships between local businesses and homeless service providers that result in both filling an employment gap and hiring a homeless person. Another effort is the "Let's Get to Work" effort, which raises funds to provide day care and transportation funding subsidy assistance to homeless and at risk individuals and families. Also, Wake County Human Services and Step-Up Ministries are partnering to introduce the "Heroes at Work" Homeless Veterans Training and Employment Program.
5. Housing Committee of the Partnership to End and Prevent Homelessness – This committee is an important action team of our Ten Year Plan to End Homelessness. Its primary objective is to increase the affordable housing supply for persons who are at 40% or below of Area Median Income. The committee explores housing initiatives and policy issues that relate to affordable housing development, and provides input to our local governments' comprehensive planning processes. Members attend public meetings to give input to ensure that affordable housing development stays at the forefront of the issues associated with comprehensive planning. The committee's 2010 priority issues include addressing regulatory and policy barriers, increasing local funding for affordable housing, and building community support and involvement.

In November 2009, the Wake County Continuum of Care received \$2,018,651 from the Continuum of Care Grant (U.S. Department of Housing and Urban Development (HUD)). These funds will be used for the following:

CASA, Inc., a Raleigh-based nonprofit, received \$50,176 in Supported Housing Program (SHP) funds. These are renewal funds for the operation of Aurora House, a residence for women in recovery.

CASA, Inc., a Raleigh-based nonprofit, received \$85,575 in Supported Housing Program (SHP) funds. These funds are for Oak Hollow, an apartment complex that houses homeless families with disabilities.

CASA, Inc., a Raleigh-based nonprofit received \$188,248 in Supported Housing Program (SHP) funds. These funds provide housing and support services for persons who are homeless with serious mental illness.

Haven House Services, a Raleigh-based nonprofit serving homeless youth, received \$104,660 in SHP funds for services for transitional housing which prepares pregnant and parenting young adults who are homeless for self-sufficiency.

Passage Home, Inc., a Raleigh-based nonprofit, received \$95,445 in SHP funds for “Hopes and Dreams” to assist homeless families including ex-offenders and those who are not working to obtain permanent housing, increase life skills and income and to help families achieve greater self determination and self sufficiency.

Passage Home, Inc., a Raleigh-based nonprofit, received \$156,325 in SHP funds for Ruth’s House permanent housing. This program provides permanent housing to formerly homeless families and single women who have graduated from Passage Home’s transitional housing programs.

Passage Home, Inc., a Raleigh-based nonprofit, received \$35,809 in SHP funds for “Job’s Journey” permanent housing. This program provides permanent housing to formerly homeless families and single women who have graduated from Passage Home’s transitional housing programs.

Passage Home, Inc., a Raleigh-based nonprofit, received \$110,307 in SHP funds for “Essential Services” to assist homeless families including ex-offenders and to obtain permanent housing, increase life skills and income and to help families achieve greater self determination and self sufficiency.

Wake County Human Services received \$55,125 in SHP funds for psychiatric outreach. This program provides psychiatric services to homeless individuals with a serious mental illness served by the agency’s Projects for Assistance in Transition from Homelessness (PATH) and community outreach Teams.

Wake County Human Services received \$924,060 in renewal funds for its merged Shelter Plus Care (S+C) rental subsidy program for single adults with severe and persistent mental illness and/or co-occurring mental illness and substance abuse issues.

Wake County Human Services received \$47,808 SHP funds for the position of Veterans Service Officer at the South Wilmington St. Center. This position works with homeless veterans who are staying at the shelter to get them the benefits to which they are entitled.

Wake County Human Services received \$165,113 in SHP funds for psychiatric outreach, treatment and support services. This program provides psychiatric services to homeless individuals with a serious mental illness served by the agency’s Community Outreach Team.

2010-11 Continuum of Care Application

The Wake Continuum of Care will apply for FY 2010-11 funds to continue current programs and to obtain additional funds for the development of permanent housing units and accompanying support services for homeless persons who are disabled. The Continuum of Care submitted an application in response to the HUD SuperNOFA in summer 2010.

Homeless Persons with Special Needs

Wake County Human Services provides housing and support services to homeless persons with special needs. Wake County provides 25 County-funded rental subsidies for homeless, mentally ill persons.

Preventing Homelessness

The City of Raleigh and Wake County Housing Division were awarded Homeless Prevention and Rapid Re-Housing Program Funds (HPRP) by HUD. HPRP is a new program that assists families and individuals who are facing imminent threat of homelessness and earn below 50% of area median income. Wake County Human Services also prevents homelessness by making emergency rent payments to persons who receive eviction notices, paying utility bills, providing rental deposits and/or paying the first month’s rent.

The City is committed to continuing its cooperative coordination with existing housing developers and providers such as the Community Housing Development Organizations (CHDOs), public/private partnerships, nonprofit organizations, and private industry. The City Bond has set aside money for Homeless needs support. The City continues to search for opportunities to assist this population.

Ten Year Plan to End Homelessness

The City of Raleigh, Wake County, Triangle United Way, and the Wake Continuum of Care Collaborative (Wake CoC) joined forces to create a 10-Year Action Plan to End Homelessness. The website link is www.raleighnc.gov/endinghomelessness. The Plan was adopted by the City and County in March 2005. Five Action Teams have been working on implementation since Plan adoption. These address the following categories: Prevention; Engagement; Housing; Employment and Education; and Services and Supports. The Action Teams and their Strategy Groups have been meeting since then.

Prevention Goals:

- Create and execute comprehensive discharge plans for people leaving institutions
- Design and implement a prevention effort for individuals and families at risk of homelessness
- Target prevention activities within the public school system to all school-aged children.

Housing and Support Services Goals:

- Establish a Housing First model
- Increase the supply of permanent affordable housing
- Develop resources for supportive services available to those in supportive housing
- Expand the capacity to serve people with mental illness and/or substance use disorders
- Promote an integrated, comprehensive system of care.

Outreach and Engagement Goals:

- Create and implement a 24/7 Housing Response Plan
- Phase down shelters and transitional housing and replace with service-enhanced short-term housing that links people with permanent housing
- Strengthen and coordinate outreach and engagement efforts.

Education and Employment Goals:

- Design and implement education, job readiness, and training programs
- Fund services that support employment (transportation and childcare).

2009-10 Accomplishments:

- **Raleigh / Wake Partnership to End and Prevent Homelessness (Partnership)** - In January 2010 a reorganized 501c3 Partnership was formed which merged administration and leadership of two organizations with common goals to end and prevent homelessness into a single entity (Merged organizations: "Wake Continuum of Care" - "Raleigh / Wake 10-Year Plan to End and Prevent Homelessness"). Major focus areas for the Partnership are: 1. Affordable Housing and Support (focus on 40% and below AMI); 2. Homeless Employment, Education & Income; 3. Homeless Prevention. Partnership Board of Directors program committees are formed and underway including: Finance & Fund Development; Housing Solutions; Community Education & Communications; Data, Outcomes & Evaluation; and Program Oversight Committee. Grants for an Executive Director have been secured and a part time ED has been hired.
- **Faith Based Support Circles:** For the past fiscal year (July 1, 2009 - June 30, 2010), the Support Circle Program served 25 families, including 28 adults and 52 children. There were more than 300 community volunteers representing 24 churches involved in providing a variety of supportive services to families as they exited homelessness. \$41,000 in Partnership funds gained from donations by individual, corporate, foundation and community donors were appropriated for program rent subsidies. These Partnership funds were matched equally by participating congregations and also matched by local government funds appropriated for this program. Homeless households are required to work 35 hours per week and to pay 30% of their income for housing costs which varies in amount from family to family. In addition local government funded approximately \$59,000 in administration costs with foundations matching that for the two person staff needed to recruit & train congregations and assist with coordinating needs of these homeless households. Eleven local Homeless Service Agencies participate in the program by nominating homeless

households for the program who have demonstrated a willingness to be employed and work with congregation teams as they move into the housing their family needs.

- **Project Homeless Connect:** 1st Year-Oct.2007 600 Persons Helped, 180 volunteers, 58 Service Providers, 2000 Services Provided - 2nd Year-Sept.2008 651 Persons Helped, 120 volunteers, 56 Service Providers, 2,118 Services Provided - 3rd Year Oct.8, 2009, 733 Homeless Persons Helped, 120 Volunteers, 50 Service Providers, 2,500 Services, 4th year - scheduled Sept 23, 2010, 9am-3pm at Moore Square, Downtown Raleigh
- **Chamber of Commerce Homeless Employment Initiative:** 14 Partner Agencies collaborated to recognize 2 "Champion Employers" at the Greater Raleigh Chamber of Commerce Board & Board of Advisors meeting, conduct 2 job fairs presenting 37 "Ready to Work" candidates to 7 employers, and engaged 43 businesses in 2 information events (including Chamber Business Expo.).
- **SOAR (SSI/SSDI Outreach Access & Recovery):** This past year as part of an overall County hiring freeze, the program Coordinator was lost. A grant has recently been secured and a SOAR Program Coordinator has been hired to continue the program to quickly gain SSI / SSDI benefits for homeless individuals in order for these individuals to be housed. For the previous year: 90 Workers trained, 98% of homeless individuals were approved within 3 months & Gained Medicaid, 100% Persons Housed within 2 months
- **2009-2010 Homeless Veterans Stand Down:** On March 25, 2010 Wake County hosted the Capital Area Veterans Stand Down at the Cornerstone Homeless Services Building in Raleigh. This annual event is a national grassroots campaign that reaches out to homeless veterans in the area. In its fourth year, this event provided food, referrals and a variety of on-site services to veterans. (Health and Dental care, Counseling, Life Skills training, Employment, Legal and many more) There were 307 homeless participants of which 182 (60%) were veterans.
- **Homeless Children's Initiative:** - Secured \$438K funding for 3-year project to implement a system of care for homeless families with children and youth; - Created list serve to build a professional community among shelter staff to share resources and information; - Streamlined access to preschool services and school system; - Evaluated screening tools used for homeless children; - Established formal training relationship with National Center on Family Homelessness.
- **24/7 Stabilization, Assessment, Referral Center:** 3 agencies collaborating to serve as the "place to go" for 1. Homeless Youth; 2. Homeless Men; 3. Homeless Women and Families with children. Plan for this initiative is under development, scheduled for proposal to Board of Directors late 2010.
- **Let's Get to Work:** Program to bring Bus Transit day passes approved by City of Raleigh and are available to area agencies and homeless individuals.
- **Combined Medical and Mental Health Respite:** 36 beds available to serve homeless individuals discharged from area health care institutions. 94 intakes, 91 discharges (8 transitional housing, 11 RRM, 3 Group homes, 15 rented own apartment, 14 unknown, 12 walked out, 8 family/friends, 4 hospital, 16 remained homeless). 186 men, 126 women, total nights lodged 6,633 (4,147 men, 2,499 women).
- **Shelter Plus Care & Housing First:** Wake County Supportive Housing has 130 S + C rental subsidies available for single adults with severe and persistent mental illness and/or co-occurring mental illness and substance abuse issues. There are currently 120 serving clients with the remaining 10 currently looking for housing. Of the 45 Housing First vouchers available for chronically homeless individuals or families, there are currently 42 placed in units.
- **Chronic Homeless Employment Initiative:** 1st Year -10 Men Employed, 3 still in same job, 6 in Perm Housing, 2nd Year - 20 Men Targeted, 5 employers returning to help; GRANTS - 1st Year -\$10,000.00, 2nd Year -\$20,000.00. (*Project presently on hold - staff and funding cutbacks*)
- **GRCVB Social Responsibility Program** - Launched program to enable Convention visitors to volunteer and contribute to area agencies while in town launched; kickoff event held by GRCVB with financial contribution to Partnership; Program website on GRCVB main page

developed and ready for Convention Planners to schedule activities; Agencies signed up to work with program; Agency scheduling committee formed.

Homeless Prevention

Several Joint Venture projects are addressing the transition of formerly homeless persons to permanent housing. In addition, the City's affordable housing stock is intended to prevent homelessness. The City is an integral part of the Ten Year Plan to End Homelessness. The HPRP Grant also addresses this issue.

Supportive Housing Needs

Supportive housing needs are also a concern. Cornerstone, which began as a City project and was transferred to the County, continues to offer supportive services. Wake County supplies most of the supportive housing support. The City and Wake County work together on many projects.

Other Actions and Accomplishments

Although the 2009-10 Action Plan did not explicitly address some of the issues listed below, the City has attempted to address the needs through several programs.

- a. **Underserved Needs:** Persons who are homeless or at risk for homelessness remain a critical issue. The City has supported its transitional housing programs and CHDOs, such as CASA, which provides housing and job training for persons with disabilities. Salisbury Apartments provides ten units to chronically homeless individuals with mental illness/substance abuse issues. Job's Journey also provides housing for chronically homeless individuals.
- b. **Barriers to Affordable Housing:** Housing costs remain a barrier to affordable housing. In addition, regulatory procedures, subdivision regulations, and growth issues are barriers to affordable housing. The City addresses these barriers through the City-Wide Homeownership Loan Program, City Rental Housing, Rehabilitation, and Joint Ventures. The City formed an Affordable Housing Task Force to consider issues for the Comprehensive Plan and presented recommendations which were incorporated in the City's long range plan.
- c. **Gaps in Institutional Structure:** The City instituted the Pilot Program, which provides forgivable rehabilitation loans in response to the needs of low-income homeowners. The City continues to examine programs to address gaps.
- d. **Reduce Poverty:** The Community Development Department does not focus on social service activities, but it offers funds every year in a RFP to interested nonprofit groups. CD also annually funds a job-training program to address this issue. The Construction Trades Program assists low-income persons in acquiring skills that will enable them to find better jobs.
- e. **Ensure Compliance with Program and Planning Requirements:** The Community Development Department makes every attempt to attend training and to stay abreast of changes in regulations and rules to ensure compliance with program requirements. CHDOs are recertified when they submit a proposal, and housing sites are monitored through site visits. One staff member serves as a monitor and has overseen the updating of manuals and provides HUD checklists, etc.
- f. **Persons with Disabilities:** Several programs address the needs of people with disabilities, including some Joint Ventures, CHDOs, and Deferred Payment Loans. The City strives to address housing needs and challenges for people with disabilities. The CASA Project, Salisbury Apartments, is targeted toward people with disabilities.

OTHER ACTIONS

During FY 2009-10, the City continued to examine issues that hindered the delivery of affordable housing to low and moderate-income persons. Several essential problems were addressed; narrative discussions of these follow.

1. Homeowner Counseling

The City has supported a homeownership counseling program for the last several years for persons interested in purchasing homes using City financing. The City contracts with DHIC and Triangle Family Services to provide counseling to homebuyers. 477 potential homeowners attended the training.

324 of the attendees were African American, 124 were white, 5 were Asian, 4 were multi ethnic, and 15 were Hispanic. 200 were low-income, 36 were moderate-income, 215 were extremely low-income, and 26 were above moderate income households.

The City requires completion of this program in order to qualify for any of its homeownership loan programs. In addition, the City has worked with local lending institutions to leverage its own financial and staff resources.

2. Interagency Cooperation

The City has continued to address its housing needs through cooperative efforts involving other local, state, and private organizations. Ongoing cooperative efforts with other agencies have enhanced the City's effectiveness in achieving the stated goals for housing, community development, and other objectives. The City is currently working with Police, Parks and Recreation, and Public Works on projects.

The City continued to work with Wake County Human Services, collaborating on a number of Joint Venture and other projects.

Inter-Departmental efforts include working with the Planning Department to evaluate the downtown area and involvement in a citywide team to better answer citizen questions.

The Neighborhood College is a program offered by the City of Raleigh in partnership with Wake County. It is a seven-week series of classes that provides information on several different kinds of City services, as well as County services. Students in the Neighborhood College have a chance to meet and interact with City staff, County staff, and other Raleigh residents. Some of the topics discussed include: City services and County services, development, nuisance abatement, emergency services, the City budget process, and environmental services. The classes are offered twice a year, and Community Development staff participates in the presentations.

3. North Carolina Housing Finance Agency (NCHFA)

The City has worked closely with the North Carolina Housing Finance Agency and the North Carolina Home Builders Association (NCHBA) with an employment training program. In FY 2009-10, \$75,000 in CDBG funds were matched with NCHFA funds to train the unemployed or the under-employed to develop building trade skills.

25 people completed the construction trades job training program. The classes built decks and stoops at 6704 Magnolia Drive and 709 E. Davie Street. The properties used in this program are city-owned affordable housing.

4. Raleigh Housing Authority – Public Housing

The Raleigh Housing Authority (RHA) continues to work toward improving its public housing stock and revitalizing its properties. RHA used stimulus Capital Fund allocations to improve the curb appeal of its developments and update interiors. This funding has enabled RHA to complete unit renovations in a shorter time span than originally planned. These funds have also enabled RHA to improve energy efficiency, and address modernization needs.

The following work items are either underway or recently completed:

- Modernization of apartments in two senior public housing complexes (386 units). Renovations include new cabinets and flooring, electrical and plumbing upgrades, lighting enhancements, and unit reconfigurations. The work will be completed by November 30, 2010.
- A landscape plan has been developed for each public housing community. Work items include the addition of drainage systems to address standing water issues, new plantings that are drought tolerant, installation of retaining walls, addition of planter boxes, and upgrades to development signage to include year-round and seasonal plantings at 13 different housing

communities. Landscaping continues to be emphasized with over seeding of lawns, sodding and plantings in the fall season. This includes the single family home inventory as well.

- Installed water conservation measures for 600 units in 10 different locations. Improvements include the installation of water sense fixtures such as high efficiency toilets, low flow shower heads, and aerators.
- Replaced the exterior doors in one 89-unit complex. Also replaced the storm doors at another fifty-unit complex.
- Installed gutters and downspouts in a fifty-unit complex.
- Replaced the roofs in a 61-unit complex.

The Raleigh Housing Authority continues to be rated as a high performer by the U. S. Department of Housing and Urban Development's management assessment system for public housing with a score of 98, the highest score of North Carolina's 99 housing authorities. RHA's most recent score for the Section 8 voucher program is 104 out of a possible 104 points which also qualifies RHA's voucher program as a high performer. RHA achieved an overall "A" rating from the U. S. Department of Housing and Urban Development inspection of all of its public housing units.

In recent years, the funding for the Section 8 voucher program has changed from year to year and often retroactively. The waiting list for voucher assistance has over 5000 applications. The length of time a family is on the waiting list is five to six years. The wait for public housing is six months to a year, depending on family size. In the public housing program, the bedroom size of the vacated units determines which families are offered housing. RHA also has site-based waiting lists for the single-family home program, Capitol Park, and Chavis Heights. Persons can apply for all four housing options or only one. The greatest demand is for one and two-bedroom units.

A summary of RHA funding by activity follows:

FEDERAL FUNDS APPROVED AND ALLOCATED FOR THE RALEIGH HOUSING AUTHORITY- Estimates Only

OPERATIONS	4/1/10-3/31/11*
Conventional Public Housing (Estimated)***	\$ 6,246,014
Section 8 Vouchers ****	\$27,771,114
Moderate Rehab	\$ 234,270
TOTAL	\$34,251,398

C. CAPITAL GRANTS

Capital Fund Program	\$ 2,701,479**
Capital Fund Program (Replacement Housing Factor)	\$ 484,138
Capital Fund Recovery Grant (stimulus)	\$ 0
TOTAL GRANTS	\$3,185,617
Total Funding Allocation	\$37,437,015

*RHA fiscal year begins April 1 and ends March 31.

** Capital Fund grant is allocated yearly but spent over two years.

*** Final subsidy figures are not yet available from HUD.

**** Note that the majority of this funding flows through RHA to local landlords.

Public Housing Resident Initiatives

a. Homeownership: RHA has 224 single family homes scattered around the City of Raleigh. The families that live in these units are required to attend and complete home buyer's training classes. RHA is currently working with the families in the areas of credit repair, debt reduction, and preparation for homeownership. RHA continues to offer or provide referrals to workshops on money management and homebuyer education to assist families to purchase homes. This program works with families to establish and/or improve credit, save for down payments, shop for financing and select houses. RHA will assist the families with securing the financing needed to complete the purchase. RHA plans to sell up to 100 of its single family homes. The public housing family that lives in the home will have the first opportunity to purchase.

b. Supportive Services: RHA has developed Memoranda of Understanding with several partners in order to provide the services needed by the families of public housing. Communities In Schools of Wake County (CIS Wake) continues to be a crucial partner in the delivery of services in public housing. CIS Wake operates after school programs in five public housing communities. The children attend these centers for free and receive one-on-one tutorial assistance as well as case management services. Through the use of a Neighborhood Networks grant provided by the U. S. Department of Housing and Urban Development, RHA has partnered with One Economy to install a wireless network in the Chavis Heights community. Working in partnership with the City of Raleigh and One Economy, a wireless network is currently being installed in the Heritage Park public housing community. One Economy secured stimulus funding to serve additional low income communities with wireless service. RHA will have one or two more communities added to the wireless network over the next year. The sites to receive this service have not yet been finalized by One Economy and the city.

c. HOPE VI Grant: RHA has applied four times for a HOPE VI grant to redevelop the Walnut Terrace property. This development was built in 1958 and has become antiquated and difficult to maintain. At this point, there is one more round of HOPE VI funding available to redevelop Walnut Terrace. RHA plans to apply for this funding in November 2010. RHA has developed contingency plans in case the grant is not awarded in this last round. RHA has approval to demolish Walnut Terrace but does not intend to let the site sit vacant if the HOPE VI Grant is not awarded in 2011. The residents are currently being relocated to other public housing units and others are using Housing Choice Vouchers. RHA plans to begin demolition in early 2011 depending on when residents vacate the property. In order to build residential units back on the cleared site, RHA will sell some of its public housing assets to generate the funding needed to construct replacement units. RHA has a couple of non-dwelling buildings, and up to 104 public housing units that it is willing to sell to generate the funds needed to reconstruct this community. Without the benefit of the HOPE VI Grant RHA will have to utilize a variety of funding sources in order to reconstruct the community. This includes the use of reserves, loans, and mortgages of various types. If RHA is successful in securing the HOPE VI Grant funding, fewer units will likely be sold.

d. Community Involvement: RHA continues to coordinate services with other agencies in the Raleigh area including the Police Department, City Inspections, Community Development, and the Parks and Recreation Department. RHA provides space to one daycare center, Meals on Wheels, Inter-Project Council office, St. Saviour's Outreach Center, an arts center, and five community learning centers. The RHA staff is actively involved with coordination of programs with many community agencies including Wake County Human Services, Wake Technical Community College, North Carolina State University, Communities-In-Schools of Wake County, and nonprofits such as Passage Home, Step Up Ministries, Support Circles and others. The faith community is involved in the public housing communities with many churches taking an active role in programs in the various communities.

e. Upcoming and Pending Improvements:

- The Homeownership Program will continue to assist public housing residents to move into homeownership by offering up to 20 of its single family homes to the public housing families that currently occupy the home. RHA continues to look at options for its nonprofit subsidiary to add to the supply of affordable housing for both homeownership and rental.
- RHA will apply for another HOPE VI grant to redevelop the Walnut Terrace public housing community in November 2010.
- RHA anticipates a significant decrease in the funding available to the agency due in large part to changes implemented by the U. S. Department of Housing and Urban Development. In order to prepare for this change in the funding stream, RHA is reorganizing its staffing to avoid lay-offs and to continue to deliver top quality housing.
- RHA continues to seek partnerships with community resources to coordinate services to address the needs of all resident families.

5. Lead Based Paint Hazard Reduction Program

The City of Raleigh is committed to helping its citizens remove lead-based hazards from their homes. In 1994, the City Council put in place a policy that subsidized remediation activities for low- and moderate-income homeowners and for landlords of properties that served low- and moderate-income tenants up to \$10,000 of remediation costs per property.

In the 2009-10 fiscal year, five units constructed before 1978 were treated for lead hazard.

6. The City's Capital Improvement Program

The City has provided funding for its affordable housing program since the 1980s. Funds are typically used as loans to developers, contractors and first time homebuyers to reduce the cost of financing. Loan repayments can then be used to apply to other housing developments or to retire the debt from the housing bond, if that was the original source of financing. Projects funded include second mortgage loans, acquisition of City owned housing units, neighborhood revitalization, homeless support, and joint venture assistance.

H. RESOURCES AVAILABLE WITHIN THE JURISDICTION

The City continues to carry out a progressive housing program that consolidates funding from CDBG, HOME, City Bond, and City appropriated dollars. From July 1, 2009 through June 30, 2010, an ambitious program combining new construction, existing housing stock, and rehabilitation was used to address housing needs for very low-income renters, first-time homebuyers, homeowners needing rehabilitation assistance, and special population groups.

In fiscal year 2009-10, the City continued to make progress in its housing program by moving forward in committing its allocation of Housing Bond funds. A housing bond for \$20,000,000 was approved in October 2005. The program offers a comprehensive array of programs that assist people with a variety of housing needs by using several financial resources.

ARRA

The City also received awards from the American Recovery and Reinvestment Act (ARRA). Raleigh is receiving Homelessness Prevention and Rapid-Rehousing Program (HPRP) funds totaling \$991,091 and Community Development Block Grant-Recovery (CDBG-R) funds of \$648,128 from the Department of Housing and Urban Development (HUD), as well as \$2,625,000 in Neighborhood Stabilization Program (NSP) funds from the State of North Carolina.

HPRP: The City Council approved funding the Triangle Family Services (\$744,106.45) and the Women's Center of Wake County (\$230,430.00) HPRP proposals in the September 1, 2009 meeting. Triangle Family

Services serves all qualified households, and the Women's Center of Wake County, Inc. provides Homeless Prevention Services to serve all qualified women and two parent families (excluding individual men). As of June 30, 2010, \$395,316.38 has been expended although only \$165,900.50 has been drawn down in IDIS. As of June 30, 2010, 246 families had received HPRP assistance of some kind.

CDBG-R: Community Services Department, *Youth Employment Program* - \$60,000. Youth perform public service while earning money and acquiring a valuable job experience. The program seeks to develop good work habits and to stress both education and experience as a prerequisite to a successful future. As of June 30, 2010, the program trained 30 youth and provided temporary jobs for these youth.

St. Monica Rehabilitation - \$588,128. The historic St. Monica's school and Edenton Street Day Care Center, is being rehabilitated into the first City run Teen Center. As of June 30, 2010, \$66,350 has been expended although only \$34,636.90 has been drawn down in IDIS.

NSP: The State of North Carolina, Division of Community Assistance (DCA) awarded the City of Raleigh \$2,625,000 in the fall of 2009. DCA later provided an additional \$400,000, making the initial grant total \$3,025,000.

Habitat for Humanity

The City of Raleigh has partnered with Habitat for Humanity of Wake County as part of the NSP: the City will acquire 8 blighted properties, demolish each one and sell each lot at a discounted price to Habitat who will build new single-family homes for 8 homebuyers with incomes less than 50% of the area median income (AMI). Five of the 8 houses were purchased.

Rehab for Resale

Four houses were acquired that will be rehabbed and sold to homebuyers with incomes below 80% of AMI. One additional house will be purchased and rehabbed for sale to a homebuyer with income less than 80% of AMI.

Removal of blight; future affordable housing opportunity

One blighted duplex was acquired and demolished. The lot will be redeveloped with housing affordable for households with incomes less than 80% of AMI.

Relocation

Three houses were occupied with legal tenants when the City acquired them. Two families were successfully relocated (428 Peyton); one other (414 Lamont) is still in process.

Property Acquisitions (9 single-family houses; 1 duplex)

- **5 blighted properties to be demolished; cleared lot sold to be Habitat For Humanity to develop new housing for low income homebuyers**
 - 524 Parnell, 530 Lansing, 537 Lansing, 414 Lamont, 428 Peyton
- **4 houses to be rehabbed; sold to low/mod income homebuyers**
 - 922 Ujamaa, 909 Friar Tuck, 610 St. George, 3005 Haven
- **1 blighted duplex and 1 blighted single-family house acquired and demolished; to be redeveloped for affordable housing**
 - 1605/1607 Pender
 - 637 Coleman

Funds Expended and Obligated (July 1, 2009 – June 30, 2010): \$1,719,515

Emergency Shelter Grant: The City receives the ESG funding but sends it to Wake County for the South Wilmington Street Center, which is the largest of the city's eight homeless shelters. The Center served 1,764 men, with a total of 79,677 overnight stays and 206,713 meals between July 1, 2009, and June 30, 2010.

Wake County used \$106,500 (FY09-10) of Emergency Shelter Grant (ESG) funds to support the operations at the South Wilmington Street Center (SWSC). The SWSC provided emergency and transitional shelter to

1,806 different homeless men during the last fiscal year. The County used the ESG funds for supplies, linens, and food services at the SWSC.

Wake County did not charge ESG any administrative fees or service costs. All ESG funds were used for direct program use.

Wake County used \$1,382,994 of County funds to operate the SWSC in the reporting year as a match to the ESG funds. We also received \$37,724 of State funds to assist in the SWSC operations.

The total operation cost for the SWSC for 2009-2010 Fiscal Year was \$1,526,967.

LEVERAGED DOLLARS

The City of Raleigh uses a combination of federal, state, local, and private funds to accomplish its housing goals. By leveraging private dollars, the City is able to increase the scope of its housing activities. These partnerships have created housing solutions that would not have been possible without the combined effort and cooperation of each participant. City dollars have been leveraged on an average ratio of 1:4.

Federal Program Matches

The City of Raleigh, in accordance with federal regulations, provides matching funds or services to several federal programs. These programs require that participating cities and municipalities provide support or services equal to the amount provided by the program. The City of Raleigh provides matching funds for the HOME program. The City sends the Emergency Shelter Grant funds to Wake County, which funds and runs the South Wilmington Street Shelter.

<i>PROGRAM</i>	<i>MATCH RATIO REQUIRED</i>	<i>FEDERAL DOLLARS SPENT</i>	<i>MATCH</i>	<i>TOTAL DOLLARS SPENT ON PROGRAM</i>
HOME	1:4	\$660,799.97	\$350,064.21*	\$1,010,864.18
ESG	1:4	\$106,500	\$1,425,046.7**	\$1,526,967

*Include prior year's excess match.

**Wake County funding

I. CITIZEN COMMENTS

The 2009-10 CAPER was available for citizen review and comment for a period of fifteen (15) days, beginning September 11, 2010. The availability was advertised on the City's website and in the News and Observer newspaper. No comments were received.

J. LOW-/MODERATE-INCOME BENEFIT

100% of HOME funds and at least 70% of CDBG funds (excluding administration and planning) were used to directly benefit individuals and families with household incomes below 80% of area median income. The majority of people benefiting actually earn below 50% of median income. The Community Development funds were expended to attain goals set for the priority needs of Raleigh citizens.



**Edenton Street
Rental Housing**
Rehabbed Affordable
City-owned Units for
Families

PART II – COMMUNITY DEVELOPMENT/NEIGHBORHOOD REVITALIZATION NARRATIVE

A. NEIGHBORHOOD REVITALIZATION ACTIVITIES

Neighborhood Revitalization activities include acquisition, relocation, demolition, public improvements and planning activities which are designed to reduce slums and blight and provide affordable housing to low and moderate income households. These activities include CDBG and local funds, as well as leveraged funds. This strategy addresses a First Priority Housing Need for first-time homeowners and low-income renters.

College Park Redevelopment Area: Efforts were directed to continuing to develop a re-use proposal that will consist of new infill single family housing for low- and moderate-income households in an area challenged by dilapidated housing and street crime. The area still has a high amount of drug trafficking and other crimes, so the market may not yet absorb new housing. Community Development acquired 18 units in the area on Fisher, Pender, Boyer, Waldrop, Oakwood and Maple Streets; 22 units on Lane, Waldrop, Pender, Oakwood, and Fisher Streets were demolished. This activity will ultimately result in meeting the national objective of Low- and Moderate-Income Housing Benefit.

New Bern/Edenton Redevelopment Area: Adjacent to the Hungry Neck housing site on Mosely Lane, Edenton Street, and Swain Street is the Cooke Street corridor. This area is of major concern to local residents and was a location of extreme blight and nuisances. During fiscal year 1997-98, a citizen task force worked with a land planner on a redevelopment plan for the area. This past year CD completed implementation activities. The Cooke Street Phase I affordable housing development is a 29 lot single family affordable home ownership project with an urban greenway. It is located along the 100, 200, and 300 blocks of Cooke Street between Edenton Street and Oakwood Avenue. The City chose four developers for the project: RD Construction Inc. built 16 single-family homes and the greenway, Evergreen Construction Company built five, Habitat for Humanity four, and St. Augustine's College CDC four units as it built capacity in infill housing development. Phase II, which consists of 17 lots, is complete as well. The City bought a dilapidated 16 unit apartment building located close to this project. This activity meets the national objective of Low- and Moderate-Income Housing Benefit.

Thompson-Hunter Redevelopment Area: The City acquired one and demolished two dilapidated units this year. The community will have opportunity to comment on how this area should be redeveloped in the next year. This activity will meet the national objective of Low- and Moderate-Income Housing Benefit.

Garner Road Redevelopment Area: The Community Development Department bought and demolished three units in this year to complement a single family housing development under construction. Although the Redevelopment Plan called for new construction, City Council accepted a plan from Builders of Hope to bring in condemned housing to rehabilitate. Sixteen houses have been completed.

Performance Measurement of Redevelopment Activities

Objective:	Suitable Living Environment		
Outcomes:	Accessibility		
Output Indicators:	Number of units acquired	Goal:	30
	Number of units demolished		25
	Number of units rehabilitated		0
	Number of households relocated to standard housing		25

The City exceeded the acquisition goal by five (35). 46 units were demolished, which exceeded the goal of 25. The relocation goal was below expectations (14 completed) because some of the units were vacant when bought.

B. CDBG Rehabilitation and Housing Activity

Part of the City's rehabilitation efforts include the approving and processing of loans, and the completion of projects financed from the prior year's loans.

APPROVED AND/OR PROCESSED: During FY 2009-10, the City approved and/or processed loans for 42 units to be rehabilitated, utilizing CDBG, HOME, and City bond dollars. All loans were made to low- and moderate-income citizens. Three projects used CDBG funds.

Performance Measurement of Rehabilitation Activities

Objective:	Decent Affordable Housing	
Outcomes:	Affordability	
Output Indicators:	Number of units rehabilitated,	
	CDBG Rehab Goal:	5
	Number of loan applications	6

The City exceeded the goal. CDBG funds are used only for projects that involve repaying loans, usually with a purchase. Seven projects were completed.

Self-Evaluation: The City's rehab program continues to provide challenges and opportunities. In December 2005, the City began a Pilot Program to offer discounting, forgivable loans. That program is now permanent and the name will change at some point. Depending on the amount, the loans are forgiven after a number of years. The response to the Program has been very enthusiastic. The City is also working to ensure that all of its Affordable Housing units remain in at least standard or better condition, and 8 units were rehabbed this past year.

Another rehab concern continues to be the implementation of the Lead-Based Paint Program. Current funding for lead-based paint remediation is from the CDBG budget. This has also increased the per-unit cost of the rehabs.

C. Public Service/Jobs Training

1. The Construction Job Training Program

The City of Raleigh, the North Carolina Housing Finance Agency, and the North Carolina Home Builders Association are joined in partnership to provide a job training program focusing on the building trades. Three 7 weeklong classes are conducted, and participants are in class 40 hours per week. Each class combines classroom study and hands-on experience. Training is provided on many topics, including safety, use of hand and power tools, foundations, roof framing, wall framing, sheathing, siding application, introduction to wood trim, and blue print reading. Graduates of the program are then offered job placement opportunities. In FY 2009-10, the program trained 25 persons for jobs in construction trades. Twelve of those who completed the program got permanent jobs. The City is exploring the option of tracking the students long term.

Performance Measurement of Economic Development Activities

Objective:	Creating Economic Opportunities	
Outcomes:	Accessibility	
Output Indicators:	Number of persons attending training	Goal: 25
	Number of persons who complete training	20
	Funds leveraged	\$75,000

Self-Evaluation: The Construction Trades Program continued to meet its goals by providing job-based training to unemployed and underemployed persons. 27 began, and 25 individuals completed the training. The CD Department will continue to assess the effectiveness of its programs and opportunities in job training.

2. Community Enhancement Grant

The City offered \$279,930 in funding for nonprofits for community-oriented projects not related to housing. The following projects were funded:

Communities in Schools of Wake County: received \$10,000 to help provide after school tutoring at Raleigh Housing Authority public housing complexes. Children in 200 low and very low income households received assistance.

The Hope Center at Pullen Memorial Baptist Church: received \$55,780 in funding for two programs. Homeless individuals received job readiness training using instructors from Wake Tech Community College and children from the Wiley Elementary Magnet School received after school academic tutoring and life-skills training. Twenty-seven individuals received extensive assistance.

Wake Technical Community College: received \$18,800 in funding to provide a hands-on vocational lab teaching horticulture and landscaping as part of their Compensatory Education Program serving handicapped individuals. 100 students received assistance.

The Garner Road Family YMCA: received \$75,000 to provide scholarships to students for after school, track out, and summer programs at the facility. Seventy-five low/Mod income students received extensive scholarships.

The YWCA of the Greater Triangle: received \$30,400 to provide economic empowerment activities to low income women and women head of household families. 275 women shared in these programs.

Triangle Family Services: received \$52,450 to provide counseling services and housing stability support to children acting out because of domestic violence situations handled by the local court system. The agency provided 1,544 incidents of counseling or support to children of low/mod households.

Urban Ministries of Wake County: received \$37,500 to replace the roof of the Helen Wright Center, a women's emergency shelter. 200 women benefitted from this repair for the year.

Self-Evaluation: The Community Development Department began the Community Enhancement program in response to the community's request for more public service activity. The Department is monitoring the program and adjusts it as needed. The City far exceeded its goals for the year.

Performance Measurement of Public Services Activities

Objective:	Suitable Living Environment/Creating Economic Opportunities		
Outcomes:	Accessibility		
Output Indicators:	Number of LMI households receiving services	Goal:	114

Self-Evaluation: The Community Development Department began the Community Enhancement program in response to the community's request for more public service activity. The Department is monitoring the program and adjusts it as needed. The City far exceeded its goals for the year.

D. Displacement and Relocation Narrative

During FY 2009-10, fourteen households were relocated. All households were relocated to permanent standard housing throughout the City.

The City attempts a holistic approach to neighborhood revitalization. The goal is to preserve as many units as possible by providing a rehab program that benefits the homeowner and the community. If a property is acquired, a determination is made after careful assessment by our rehabilitation specialists as to whether the property can be preserved or whether it must be demolished.

A yearly work plan is submitted for all CDBG activities including relocation activities. Once the relocation work plan has been obtained, a windshield survey is done to give the relocation officer an overview on single or multiple relocatees. Once the Intent to Acquire Notices are given, the relocation staff contacts the tenant,

homeowner or business to determine particular needs. This information is made in person to assess rental needs, handicapped accessibility issues, or business relocation needs. When the property has been acquired, more in-depth information is obtained to adhere to the Uniform Relocation Act (URA) requirements.

To avoid unnecessary displacement, property owners are provided with information and the availability of resources to bring their properties up to housing codes.

Self-Evaluation: The City of Raleigh continues to try to minimize the impact of displacement due to redevelopment activities for families, individuals and businesses by providing appropriate assistance. This assistance includes help in obtaining comparable replacement housing or commercial sites. Assistance may include referrals to appropriate public and private agencies that provide services concerning housing financing, employment, health, welfare, or legal assistance. The range of services depends on the needs of the person being displaced.



NC Home Builders Association
Construction Job Training Program for
Low-Income Households

PART III – HOME ANNUAL PERFORMANCE REPORT

A. INTRODUCTION

The City's Consolidated Plan adopted May 2005 that covers this reporting period states that the City will continue to adhere to four basic principles to guide program expenditures. These principles are:

- The provision of affordable, decent, safe, and sanitary housing for all City Residents
- The need for an on-going partnership with the private sector and continued inter-governmental cooperation between the County, regional, and state governments
- That affordable housing must be made available throughout the City
- The continued emphasis on neighborhood revitalization where the goal is to encourage neighborhood stability and preservation of existing housing stock.

These goals are implemented through a housing strategy which targets assistance and resources to the following **priority one** household types: 1) very low-income renter households; 2) first time low and moderate-income homebuyers; 3) households needing rehabilitation assistance; and 4) special populations such as frail elderly and homeless persons.

B. HOME PROGRAMMATIC ACCOMPLISHMENTS

1. Elderly Rehabilitation – Priority One Housing Need

The City's Five Year Plan indicated that approximately 9% of the City's population was elderly. The Five Year Plan also showed that approximately 19% of elderly households had some type of housing problem. The City of Raleigh has a number of programs designed to assist elderly homeowners by providing rehabilitation assistance or emergency rehab assistance.

Nine units were rehabilitated in the last year with HOME funds. Elderly and/or disabled homeowners are assisted through the City's Deferred Payment Loan (DPL) Program. All of the units were DPLs. The maximum loan amount of a DPL was \$35,000 in response to the need for more significant rehabilitation and higher costs. Applicants must be low-income or have incomes at or below 50% of the median income (\$38,450). Five of the DPLs were completed as Pilot rehabs, which raised the allowed amount to \$45,000 and are forgivable.

Performance Measurement of Owner Rehabilitation Activities

Objective:	Decent Affordable Housing		
Outcomes:	Availability/Accessibility		
Output Indicators:	Number of units rehabilitated	Rehab Goal:	20
	Number of loan applications		30

Community Development did not meet the goals of HOME rehabs and applications. The Pilot Program offers forgivable loans; the City began using HOME in addition to Bond funds for this program.

2. New Low-Income Rental Housing – Priority One Housing Need

The need for rental housing for very low and low-income households continues to increase. To address this need, the City continues to fund and support new development or rehabilitation of rental units. The City also supports rehabilitation of older rental units through its purchase and low rent housing program. The City's Joint Venture Rental Program provides opportunities for the City to assist in funding new affordable rental units.

Performance Measurement of Housing Production Activities

Objective:	Suitable Living Environment		
Outcomes:	Affordability		
Output Indicators:	Number of units rehabilitated	Goal:	25
	Number of units constructed		25

Two HOME projects were completed: Salisbury Street Apartments, which is for Chronically Homeless persons, and Wakefield Manor, a 96 unit development for elderly/people with disabilities. CD is no longer issuing a RFP for nonprofit projects. Funds are disbursed on a first come, first served basis, assuming the project meets requirements. CD well exceeded the goal.

3. Private Sector Participation

The City has worked with the private sector in a number of programs primarily in the areas of mortgage lending, rehabilitation/construction management, and property management.

MORTGAGE LENDING: The City currently has agreements with six lending institutions: SunTrust, RBC Centura Bank, BB&T, Bay Banc Mortgage, Gateway Mortgage, Prospect Mortgage, DHI Mortgage, First Citizens, Union Mortgage, and W R Starkey Mortgage. Several lenders the City associated with in the past have gone out of business in the last year.

PROPERTY MANAGEMENT: The management of low-income rental housing units is by Barker Realty, which is responsible for the majority of property maintenance and rent collection.

REHABILITATION/CONSTRUCTION MANAGEMENT: The City continues to work with individual rehabilitation consultants under contract with the City for rehabilitation construction management. These consultants assist with specification preparation and contract management.

4. Community Housing Development Organizations (CHDOs)

No CHDO projects were completed in the previous year. The Brookridge Apartments CHDO project will be completed in 2010-11.

Performance Measurement of CHDO Activities

Objective:	Suitable Living Environment		
Outcomes:	Affordability		
Output Indicators:	Number of units rehabilitated	Goal:	5
	Number of units constructed		0

C. PUBLIC POLICIES

1. AFFIRMATIVE MARKETING

The City maintains a policy of non-discrimination and equal opportunity in housing, pursuant to the objectives of Title VIII of the Civil Rights Act of 1968, and the City's Fair Housing Ordinance. Fair Housing activity is made known to the general public through the use of news media and presentations to community organizations, social service agencies and church groups.

The development of partnerships with area lenders, the Raleigh Board of Realtors, the Homebuilders Association, and private rental management companies has expanded the Department's effort to reach a larger and more diverse community. All new HOME participants are advised of the HOME requirements for affirmative marketing. Advertisements for family units are made using news media.

2. MINORITY OUTREACH

The CDBG and HOME Program makes every effort to use minority contractors in carrying out program activities. Under the HOME rehabilitation program, a total of \$774,190 in construction projects was awarded to minority and women contractors. The City has a Business Assistance Program which monitors minority participation in all City contracts. The City has established a goal of 15% for construction projects that exceed \$50,000. This effort is monitored by the Minority and Women-Owned Business Program Coordinator in the Department of Administrative Services.

3. SHORTFALL FUNDS

No shortfall funds have been committed during this reporting period.

4. PROGRAM INCOME

In FY 2009-10, program income from HOME loans and rents totaled \$494,213.71, most of which was used in the rehabilitation program and joint ventures.

5. MATCH

In FY 2009-10, the HOME match liability was \$165,199.99. The City had excess match of \$129,067.07 from the previous year and contributed \$220,997.14 for a total of \$350,064.21. Excess match carried to next year is \$184,864.22.

HOME ON-SITE INSPECTIONS

Each year, the City assesses its HOME CDBG and Housing Bond financed units to make sure that they are maintained, comply with the Section 8 Quality Housing Standards and that they are being rented at or below the annual HUD designated affordable rents. The City owns 24 HOME units. These units are Woodpecker Court, which consists of 12 units, Ricky Circle, which consists of four units, 809 Bragg Street, which consists of 4 units, and 806 and 810 Jones Street, which has four units. All projects were monitored in December 2009. These units also receive monthly monitoring by the department's property manager. On-site physical monitoring of these properties is scheduled according to HOME inspection rules.

The City has also provided funding for 9 other projects with HOME money that are inspected annually. These are Fox Haven (48 units), Magnolias (40 units) and Lennox Chase (36 units), Elder's Peak (48 units), Windsor Spring (39 units), Village of New Hope (45 units), Perry Hill (48 units), Terrace Spring (48 units), and Waterbrook (64 units). Fox Haven, Village of New Hope, and Perry Hill provide affordable housing for qualifying families and individuals. The Magnolias, Elder's Peak, Waterbrook, Terrace Spring, and Windsor Spring provide housing for the elderly or households with disabilities. Lennox Chase is Single Room Occupancy housing for individuals making less than 40% Area Median Income. All properties were inspected in the fourth quarter of 2009.

The City has 5 other HOME funded developments that require less frequent monitoring. Harrington Place is monitored every other year. It consists of 12 units run by CASA that are reserved as transitional housing for the mentally ill. 202 Heck Street is a duplex monitored every three years. Brown Birch is a Passage Home development that consists of four quads that must be monitored every other year. Hollenden Place is also a Passage Home development that contains 22 units and must be monitored every other year. Shades Pointe Townes is 2 triplexes that must be monitored every other year. Harrington Place was monitored in the last calendar quarter of 2009, 202 Heck Street has changed owners and been rehabilitated. It was inspected in 2009, Brown Birch was monitored in March 2010, and Shades Pointe Townes was monitored in June 2010. Hollenden Place was monitored in March 2010.

All HOME units were found compliant upon inspection. The Department maintains a copy of its site inspections on file for review and monitoring purposes. HUD requires that all projects with 1 to 4 units be monitored at least every three years, projects with 5 to 25 units be monitored every two years, and projects of 26 or more units every year.

The monitoring process consists of an on-site visit and a review of files. The management company and/or Sponsor of the development are notified in writing that they need to contact the City to schedule a date to monitor. Prior to the monitoring date, we ask that they supply us with a complete list of all tenants along with their annual incomes, the number of people in the household, the date of last income certification, and their rent amount. This is generally reviewed prior to the visit to ensure that all tenants are income eligible and that at least 20% of the units are renting at or below low home rent and the remaining are at or below high home rent. Currently, all developments are in compliance with regard to rents and incomes.

The next step in the City's monitoring process is an on-site visit. At least 10% of the apartments are randomly selected and thoroughly inspected to ensure that they meet at least section 8 housing quality

standards. The interiors and exteriors of the apartments are examined to ensure that they are being maintained and that they represent no hazards. All common areas are also inspected for safety and for cleanliness. Project Data files along with between 10% - 20% of the tenant files are then reviewed. Several different files are randomly selected (usually those files of the apartments that were monitored). The files are reviewed to ensure that incomes are being calculated correctly and that they are being re-certified every year. Within the past year, we found no inconsistencies in the files.

Before leaving, a copy of the standard lease is requested to ensure that it references the annual verification of income. Also, we determine that appropriate Fair Housing and Affirmative Marketing guidelines are followed. All listed developments have been found to be compliant with all guidelines and restrictions. No further action was necessary after any of the monitoring visits. All HOME projects inspected are providing annual updates of their 6-D HUD reporting form and are compliant in this area.

Summary of Progress

The City of Raleigh Community Development Department has developed an aggressive housing and community development program to implement the goals and objectives described in the Consolidated Plan. The programs which have been established are aimed at the following: increasing the affordable housing stock, eliminating substandard housing conditions, providing homeownership opportunities, eliminating slums and blight in older neighborhoods; improving the employment skills of low and moderate income people; leveraging federal resources with private funds and establishing partnerships to implement these programs.

The City continues to strive to reach its objectives by establishing performance goals for activities and staff, expanding our partnerships with the private and nonprofit sector and by examining strategies to streamline our programs to make them more productive and efficient.

The Department continues to emphasize its objective to increase the number of affordable housing units. This production objective requires that staff time be directed towards those activities that increase the number of housing units completed each year.

The Department is proud of its accomplishments this past year, which provided affordable housing that is of high quality and leverages federal dollars with the private sector. The Department remains dedicated to meeting the goals and objectives identified in the Consolidated Plan. Summarizing, activities this past year included the following:

1. *Very Low-Income Renters:* The City continued to provide housing for very low-income renters through the City-Owned Housing Program and the Joint Venture Rental Program. The City rehabbed 8 units for affordable housing. Most of these units upon completion rent for \$400 - \$500 per month. In addition to the acquisition of these older units, the City completed 168 units through its Joint Venture program and has committed to 321 additional units. Both of these programs are targeted mostly to households earning less than 50% of the median income. Joint Venture projects are geographically dispersed throughout the City.

2. *First-time Homeowners:* Assisting first-time homeowners is a major priority for the City. We continued our Second Mortgage Programs and worked closely with participating lenders. The City also continued the Homeownership Counseling Program. Last fiscal year, 81 Second Mortgage Loans were completed, and 477 persons attended Homeownership Counseling.

3. *Elderly Households Needing Rehabilitation Assistance:* The City continues to support several programs to assist this First Priority Need. The City continues to work with Resources for Seniors to provide a Limited Repair Program to include all low-income homeowners. HOME dollars are also used to provide rehabilitation assistance to the elderly through its Deferred Payment Loan/Pilot Rehab Program. Last fiscal year, the City completed 38 units through Limited Repair and 9 DPLs.

4. *Special Populations:* Special populations remain a Priority One Housing Need. Community Development is focusing on affordable housing for this population. The City has funds for Homeless Support and assisted CASA and Passage Home with their projects, Salisbury Apartments and Job's Journey.

5. Housing Rehabilitation: The City provided loans for rehabilitation, utilizing federal CDBG, HOME, and City bond dollars. \$700,155 was spent in CDBG rehabilitation for substantial rehab/purchase on seven units. \$560,607.53 in HOME and HOME match funded the 9 HOME rehabs.

6. Neighborhood Revitalization - During the past fiscal year, the City continued its focus in several redevelopment areas. Adjacent to Hungry Neck is the Cooke Street corridor, where activity continued in fiscal year 2009-10 to create affordable homeownership in this distressed area. Phase II was completed.

The City continued to work in the Thompson-Hunter, College Park, and Garner Road areas, acquiring units and demolishing units. The State Street project progressed, and 16 units are now complete.

The City felt that this past year was very successful in terms of meeting performance goals for acquisition of property and for meeting expenditures within the timeframe. The City met the 1.5 ratio, as required by HUD.

Non-Housing Priorities:

Economic Development - The City continued to support the Construction Trades Building Program. The program is aimed at increasing job skills for unemployed and underemployed low-income residents.

Community Enhancement Grant – The City provided grant funding for several nonprofit agencies to serve the low-income population.

Certifications of Consistency – The City supports applications for federal assistance. During 2009-10, the following certifications were granted by the City: Continuum of Care SuperNOFA Grant and Raleigh Housing Authority's Plan.

Conclusion

The support for affordable housing remains strong as the voters passed a \$20 million housing bond in October 2005. The bonds will continue to expand the City's efforts at providing affordable housing throughout the City.

The goals of the Consolidated Plan were supported by the One Year Action Plan and the accomplishments detailed throughout the narrative. The Community Development Department will continue to strive for excellence in all of its programs.



**Meadowcreek
Commons**
Affordable Apartments
Low-Income
Elderly Persons

APPENDIX A

CDBG PROGRAM INCOME

RECONCILIATION OF LINE OF CREDIT AND
CASH BALANCE

ATTACHMENTS FOR CDBG PROGRAM INCOME ADJUSTMENTS and LOAN & RECEIVABLES

(Submit with CAPER as an attachment to CDBG Financial Summary IDIS Report C04PR26. See Instructions)

8 Program Income Received

a. Program income returned to revolving funds: (Identify by type)	N/A
b. Repayment on Float Funded Activities:	N/A
c. Other loan repayments by category:	
Loan repayments	\$335,342
Rental Income	\$50,626
Miscellaneous/ Other	\$1,888
d. Income received from sale of property:	\$269,426
Total Program Income	\$657,081

9 Prior Period Adjustments

N/A

Reimbursements made for disallowed costs:

- Activity Name & Number in IDIS
- Program Year expenditure was reported:
- Amount returned to LOC program account:
- Amount to be reimbursed and timeframe

10 Loans and other receivables

a. Float-funded activities outstanding as of end of the reporting period	NONE
b. Total number of loans outstanding :	109
principal balance owed as of end of reporting period :	\$4,721,407
c. Total number of outstanding deferred or forgivable loans, principal balance owed & terms of deferral or forgiveness : Deferred loans are until 1)death of borrower 2) property is sold or conveyed 3) no longer owner occupied; Forgivable loans discount 1/5 per year for 5 years	21 \$494,341
d. Number and amount of loans in default and for which the balance was forgiven or written off during the reporting period:	0
e. Parcels acquired or improved with CDBG funds that are available for sale as of end of reporting period:	12

11 Lump sum agreements:

N/A

THE CITY WILL SEND THESE REPORTS BY FAX AND MAIL ASAP. THE CITY'S FINANCIAL DIVISION HAS BEEN UNABLE TO PROVIDE INFORMATION DUE TO ISSUES WITH CHANGING THE FINANCIAL SOFTWARE SYSTEM.

APPENDIX B

MAPS

APPENDIX C

HUD FORMS

ANNUAL PERFORMANCE REPORT
HOME PROGRAM - HUD-40107
HOME MATCH REPORT - HUD-40107-A
SECTION 3 SUMMARY REPORT

Annual Performance Report

HOME Program

U.S. Department of Housing
and Urban Development
Office of Community Planning
and Development

OMB Approval No. 2506-0171
(exp. 05/31/2007)

Public reporting burden for this collection of information is estimated to average 2.5 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

The HOME statute imposes a significant number of data collection and reporting requirements. This includes information on assisted properties, on the owners or tenants of the properties, and on other programmatic areas. The information will be used: 1) to assist HOME participants in managing their programs; 2) to track performance of participants in meeting fund commitment and expenditure deadlines; 3) to permit HUD to determine whether each participant meets the HOME statutory income targeting and affordability requirements; and 4) to permit HUD to determine compliance with other statutory and regulatory program requirements. This data collection is authorized under Title II of the Cranston-Gonzalez National Affordable Housing Act or related authorities. Access to Federal grant funds is contingent on the reporting of certain project-specific data elements. Records of information collected will be maintained by the recipients of the assistance. Information on activities and expenditures of grant funds is public information and is generally available for disclosure. Recipients are responsible for ensuring confidentiality when public disclosure is not required.

This form is intended to collect numeric data to be aggregated nationally as a complement to data collected through the Cash and Management Information (CMI) System. Participants should enter the reporting period in the first block. The reporting period is October 1 to September 30. Instructions are included for each section if further explanation is needed.

Submit this form on or before December 31	This report is for Period (mm/dd/yyyy)	Date submitted (mm/dd/yyyy)
Send one copy to the appropriate HUD Field Office and one copy to: HOME Program, Rm 7116, 451 7th Street, S.W., Washington D.C. 20410	Starting Ending 7/1/2009 6/30/2010	9/28/2010

Part I Participant Identification

1. Participant Number 54877	2. Participant Name City of Raleigh	3. Name of Person Completing this report Sara Sweeney	4. Phone Number (Include Area Code) 919-998-6064
5. Address P.O. Box 590	6. City Raleigh	7. State NC	8. Zip Code 27602

Part II Program Income

Enter the following program income amounts for the reporting period: in block 1, enter the balance on hand at the beginning; in block 2, enter the amount generated; in block 3, enter the amount expended; and in block 4, enter the amount for Tenant-Based rental Assistance.

1. Balance on hand at Beginning of reporting period	2. Amount received during Reporting Period	3. Total Amount Expended During Reporting Period	4. Amount expended for Tenant - Based Rental Assistance	5. Balance on hand at end of Reporting period (1+2-3)=4
\$47,654.92	\$494,213.71	\$367,643.57	\$0.00	\$174,225.06

Part III Minority Business Enterprises (MBE) and Women Business Enterprises (WBE)

In the table below, indicate the number and dollar value of contracts for HOME projects completed during the reporting period

		Minority Business Enterprises (MBE)				f. White Non-Hispanic
a. Total		b. Asian Native or American Indian	c. Asian or Pacific Islander	d. Black Non-Hispanic	e. Hispanic	
A. Contracts						
1. Number	2			1		1
2. Dollar Amount	133135			62650		70485
B. Sub-contracts						
1. Number	8			4		4
2. Dollar Amount	37500			18400		19100
a. Total		b. Women Business Enterprises (WBE)		c. Male		
C. Contracts						
1. Number	2	0		2		
2. Dollar Amount	133135	0		133135		
D. Sub Contracts						
1. Number	8	1		7		
2. Dollar Amounts	37500	6000		31500		

Part IV Minority Owners of Rental Property

In the table below, indicate the number of HOME assisted rental property owners and the total dollar amount of HOME funds in these rental properties assisted during the reporting period.

	a. Total	Minority Business Enterprises (MBE)				f. White - Non-Hispanic
		b. Alaskan Native or American Indian	c. Asian or Pacific Islander	d. Black Non-Hispanic	e. Hispanic	
1. Number	2	0	0	0	0	2
2. Dollar	\$ 1,700,000					\$ 1,700,000

Part V Relocation and Real Property Acquisition

Indicate the number of persons displaced, the cost of relocation payments, the number of parcels acquired, and the cost of acquisition. The data provided should reflect only displacements and acquisitions occurring during the reporting period.

	a. Number	b. Cost				
1. Parcels Acquired	0					
2. Businesses Displaced	0					
3. Non profits Organization Displaced	0					
4. Households Temporarily Relocated, not Displaced	0					
Households Displaced	a. Total	Minority Business Enterprises (MBE)				f. White - Non-Hispanic
		b. Alaskan Native or American Indian	c. Asian or Pacific Islander	d. Black Non-Hispanic	e. Hispanic	
5. Households Displaced - Number	0					
6. Households Displaced - Cost	0					

HOME Match Report

U.S. Department of Housing and Urban Development
Office of Community Planning and DevelopmentOMB Approval No. 2506-0171
(exp. 05/31/2007)

Part I Participant Identification			Match Contributions for Federal Fiscal Year (YYYY)	
1. Participant No. (assigned by HUD) 54077	2. Name of the Participating Jurisdiction City of Raleigh	3. Name of Contact (person completing this report) Sarra Sweeney	2009	
5. Street Address of the Participating Jurisdiction 310 W. Martin Street		4. Contact's Phone Number (include area code) 919-996-4330		
6. City Raleigh	7. State NC	8. Zip Code 27602		

Part II Fiscal Year Summary

1. Excess match from prior Federal fiscal year	\$	129,067.07	
2. Match contributed during current Federal fiscal year (see Part III.9.)	\$	220,997.14	
3. Total match available for current Federal fiscal year (line 1 + line 2)		\$	350,064.21
4. Match liability for current Federal fiscal year		\$	165,199.99
5. Excess match carried over to next Federal fiscal year (line 3 minus line 4)		\$	184,864.22

Part III Match Contribution for the Federal Fiscal Year

1. Project No. or Other ID	2. Date of Contribution	3. Cash (non-Federal sources)	4. Foregone Taxes, Fees, Charges	5. Appraised Land/Real Property	6. Required Infrastructure	7. Site Preparation, Construction Materials, Donated Labor	8. Bond Financing	9. Total Match
571* 10731 Common Coats	7/27/2009	\$ 169,920.00						\$ 169,920.00
612* 4761 Bluebird Ct		\$ -						\$ -
648* 1423 Lee St	11/23/2009	\$ 3,262.21						\$ 3,262.21
675*808 Newcombe Rd	3/10/2010	\$ -						\$ -
697*748 Lunar Dr	6/15/2010	\$ 14,831.23						\$ 14,831.23
730*1304 Boyer	2/18/2010	\$ 8,857.40						\$ 8,857.40
731*808 Carlie	5/25/2010	\$ 9,866.80						\$ 9,866.80

page 1 of 4 pages

Form HUD-40107-A (12/94)

Name of the Participating Jurisdiction

Federal Fiscal Year (YYYY)

Economic Opportunities for Low- and Very Low-Income Persons

OMB Approval No. 2520-0043
(exp. 8/31/2007)

Head Field Officer

See page 2 for Public Reporting Burden statement

1. Recipient Name & Address: (street, city, state, zip) City of Raleigh 310 W. Martin Street Raleigh NC 27602	2. Federal Identification: (contract/order no.) 56-6000236 4. Contact Person Michele Grant	3. Dollar Amount of Award \$0,450,677 5. Phone: (include area code) 919-996-6330	
6. Program Code: * <table border="1" data-bbox="397 375 457 382"> <tr> <td>7</td> </tr> </table> (Use a separate sheet for each program code)	7	6. Program Name: CDBG Entitlement	
7			
	7. Reporting Period: 3/1/98-6/30/98	7. Date report submitted: 6/30/98	

Part I: Employment and Training (** Include New Hires in columns E & F)

A Job Category	B Number of New Hires	C Number of New Hires that are Sec. 3 Residents	D % of Aggregate Number of Staff Hours of New Hires that are Sec. 3 Residents	E % of Total Staff Hours for Section 3 Employees and Trainees	F Number of Section 3 Employees and Trainees
Professionals	0				
Technicians	0				
Office/Clerical	0				
Construction by Trade (List)	0				
Trade	0				
Trade	0				
Trade	0				
Trade	0				
Other (List)	0				
Total	0				

8 = CDBG State Administered
9 = Other CDBG Programs
10 = Other Housing Programs

Part II: Contracts Awarded

1. Construction Contracts:

A. Total dollar amount of all contracts awarded on the project	\$ 52,000.00
B. Total dollar amount of contracts awarded to Section 3 businesses	\$ n/a
C. Percentage of the total dollar amount that was awarded to Section 3 businesses	n/a %
D. Total number of Section 3 businesses receiving contracts	

2. Non-Construction Contracts:

A. Total dollar amount all non-construction contracts awarded on the project/activity	\$ n/a
B. Total dollar amount of non-construction contracts awarded to Section 3 businesses	\$ n/a
C. Percentage of the total dollar amount that was awarded to Section 3 businesses	n/a %
D. Total number of Section 3 businesses receiving non-construction contracts	n/a

Part III: Summary

Indicate the efforts made to direct the employment and other economic opportunities generated by HUD financial assistance for housing and community development programs, to the greatest extent feasible, toward low-and very low-income persons, particularly those who are recipients of government assistance for housing. (Check all that apply.)

- ☐ Attempted to recruit low-income residents through: local advertising media, signs prominently displayed at the project site, contracts with community organizations and public or private agencies operating within the metropolitan area (or nonmetropolitan county) in which the Section 3 covered program or project is located, or similar methods.
- ☐ Participated in a HUD program or other program which promotes the training or employment of Section 3 residents.
- ☐ Participated in a HUD program or other program which promotes the award of contracts to business concerns which meet the definition of Section 3 business concerns.
- ☐ Coordinated with Youthbuild Programs administered in the metropolitan area in which the Section 3 covered project is located.
- ☐ Other, describe below.

Amount awarded to CDBG project did not meet the Sect. 3 threshold of \$200,000+

Public reporting for this collection of information is estimated to average 2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB number.

Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u, mandates that the Department ensure that employment and other economic opportunities generated by its housing and community development assistance programs are directed toward low- and very-low income persons, particularly those who are recipients of government assistance housing. The regulations are found at 24 CFR Part 135. The information will be used by the Department to monitor program recipients' compliance with Section 3, to assess the results of the Department's efforts to meet the statutory objectives of Section 3, to prepare reports to Congress, and by recipients as self-monitoring tool. The data is entered into a database and will be analyzed and distributed. The collection of information involves recipients receiving Federal financial assistance for housing and community development programs covered by Section 3. The information will be collected annually to assist HUD in meeting its reporting requirements under Section 808(e)(8) of the Fair Housing Act and Section 918 of the HCDA of 1962. An assurance of confidentiality is not applicable to this form. The Privacy Act of 1974 and OMB Circular A-108 are not applicable. The reporting requirements do not contain sensitive questions. Data is cumulative; personal identifying information is not included.

Head Field Office: Greensboro, NC

1. Recipient Name & Address: (street, city, state, zip) City of Raleigh 310 W. Martin Street Raleigh NC 27602		3. Federal Identification: (contract/award no.) 56-6000236 4. Contact Person Michele Grant	6. Dollar Amount of Award \$1,000,001
		5. Reporting Period: 10/1/2008 - 9/30/2010	5. Phone: (include area code) 919-955-6200 7. Date report submitted 9/26/2010
8. Program Code *	5 (Use a separate sheet for each program code)	9. Program Name: HCMA	

A Job Category	B Number of New Hires	C Number of New Hires that are Sec. 3 Residents	D % of Aggregate Number of Staff Hours of New Hires that are Sec. 3 Residents	E % of Total Staff Hours for Section 3 Employees and Trainees	F Number of Section 3 Employees and Trainees
Professionals	0				
Technicians	0				
Office/Clerical	0				
Construction by Trade (List)	0				
Trade	0				
Trade	0				
Trade	0				
Trade	0				
Other (List)	0				
Total	0				

(1) = CDBG State Administered
 (2) = Other CDBG Programs
 (3) = Other Housing Programs

Part II: Contracts Awarded**1. Construction Contracts:**

A. Total dollar amount of all contracts awarded on the project	\$ 1,700,000
B. Total dollar amount of contracts awarded to Section 3 businesses	\$ 0
C. Percentage of the total dollar amount that was awarded to Section 3 businesses	n/a %
D. Total number of Section 3 businesses receiving contracts	

2. Non-Construction Contracts:

A. Total dollar amount all non-construction contracts awarded on the project/activity	\$ n/a
B. Total dollar amount of non-construction contracts awarded to Section 3 businesses	\$ n/a
C. Percentage of the total dollar amount that was awarded to Section 3 businesses	n/a %
D. Total number of Section 3 businesses receiving non-construction contracts	n/a

Part III: Summary

Indicate the efforts made to direct the employment and other economic opportunities generated by HUD financial assistance for housing and community development programs, to the greatest extent feasible, toward low-and very low-income persons, particularly those who are recipients of government assistance for housing. (Check all that apply.)

- ☐ Attempted to recruit low-income residents through: local advertising media, signs prominently displayed at the project site, contracts with community organizations and public or private agencies operating within the metropolitan area (or nonmetropolitan county) in which the Section 3 covered program or project is located, or similar methods.
- ☐ Participated in a HUD program or other program which promotes the training or employment of Section 3 residents.
- ☐ Participated in a HUD program or other program which promotes the award of contracts to business concerns which meet the definition of Section 3 business concerns.
- ☐ Coordinated with Youthbuild Programs administered in the metropolitan area in which the Section 3 covered project is located.
- ☐ Other; describe below.

The projects funded with HOME funds did not reach the number of units required to initiate Labor Relations enforcement.

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